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Spotlight ON FOREIGN MARKETING

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TO FAS MARKET DEVELOPMENT COOPERATORS AND AGRICULTURAL ATTACHES

Volume VIII No. 9

October 1965

U.S. EXHIBIT AT ANUGA ATTRACTS GERMAN FOOD TRADE

American food products attracted large numbers of key German food importers and distributors at the ANUGA International Food Show in Cologne, Germany, September 25 - October 3. Consumer traffic was also heavy in the public sector of the U.S. food exhibit.

Assistant Secretary of Agriculture George L. Mehren, who officially opened the U.S. exhibit, described it as a symbol of two-way trade and friendship between Germany and the United States.

"We must not let problems at the conference table deny our people bountiful foods for the dinner table," Mr. Mehren said. "The United States is fully committed to liberalization of trade. We stand ready to reduce our tariffs as others do likewise. It is of vital importance to the German food trade and to the German consumers that obstacles to food trade be removed and that food products move as freely as possible between nations."

The U.S. exhibit at the ANUGA was directed primarily at the German food trade. In an exclusive trade area, representing about half of the total



"Cooperative Month - October 1965" was opened with the presentation of a Presidential "E" Award for meritorious export expansion to Diamond Fruit Growers, Inc. Shown at the ceremonies are (L to R) Congressman Al Ullman, Oregon; William Berg Jr, Administrative Assistant, Senator Morse; Ray T. Yasui, President, Diamond Fruit Growers; Lloyd Tupling, Administrative Assistant, Senator Neuberger; Secretary Freeman; and G.C. Crossland, General Manager of the cooperative.

exhibit space, more than 70 modular display units were filled with a wide variety of U.S. processed foods.

The Grocery Manufacturers of America, Inc., cooperated with FAS

in coordinating the private sector of the exhibit. Operation was similar to that of U.S. Trade Centers where U.S. processed foods are featured.

American food and agricultural products winning the "eye" of large numbers of consumers moving through the public area included: U.S. variety meats; barbecued chicken and turkeys; rice , soybeans and soya products; dry beans; and a wide variety of U.S. fruits.

NETHERLANDS PILOT PROMOTION INCREASES COTTON SALES

The first national campaign for cotton under the three-year pilot promotion program of Cotton Council International in the Netherlands appears to have been an outstanding success.

The immediate campaign objectives were to stimulate sales of fashionable cotton household textiles during the slack period which follows year-end sales; build a fashion image around cotton household textiles; and convince the housewives they would get the most satisfaction from pure cotton products.

A full-scale campaign was organized with national advertising and intensive retail promotions supported by local trade and industry groups.

Excerpts from the preliminary report of the Dutch Cotton Institute follow:

"All major manufacturers joined the campaign. They advertised their products on an impressive scale and reported larger sales during this period than in recent years. The manufacturers, none excluded, have announced their intention to join the White Sales efforts planned for next year.

"Leading department stores, textile chain stores, and specialty shops supported the campaign in many ways; inserted more than 100 advertisements in daily papers during these weeks, distributed three million folders to consumers, and arranged special window displays.

"Compared with the same period last year, the sales of household goods of large-scale retailers increased by 20 to 100 percent with an average sales increase of 35 percent for bedclothes and toweling.

"All buying organizations participated in the White Sales campaign. They reported a 10 to 50 percent increase in sales of household textiles, particularly bedclothes and toweling.

"An estimated 9,000 of the 12,000 textile retailers in the Netherlands actively participated in the campaign through advertising and window displays. On the basis of those interviewed, their turnover was 20-25 percent above the comparable 1964 period."

BUSINESS AND PLEASURE

Several cooperators are sponsoring special European tours, which, in addition to the usual sightseeing, give members a first-hand look at market development. The U.S. cooperator travelers pay their own way, but at a reduced rate under the 21-day economy group travel plan.

For instance, this month the National Renderers Association is offering its members a 21-day trip to Europe with an opportunity to see some of NRA's overseas activities. In Barcelona, the tour members will meet with Dr. Jaun Amich-Gali, NRA's Tech-



Vasfi Hakman, Director for the Turkish Office of the Soybean Council, introducing soybean sausages to the Minister of Commerce, Mayor of Izmir, and other high Turkish officials at the opening of the soybean exhibit at the Izmir International Trade Fair. An estimated two million people visited the Fair.

nical Consultant for Western Europe. Alexander Boggio, Director of the NRA European Office, will arrange a seminar of government delegates, renderers from all of Europe and representatives of private industry while the party is in Rome.

Next July, Dairy Society International in conjunction with the Seventeenth International Dairy Congress in Munich is offering a similar 21-day European tour, including visits with dairy associations and manufacturers in France, Germany, Denmark and England.

The trips abroad are expected to give the members a chance to meet with their European customers and to review for themselves some of the market development projects.

WASHINGTON WORKSHOP PLANNED

A Marketing Plans and Administrative Workshop for U.S. Cooperators is planned for December 2-3 at the National 4-H Club Foundation, 7100 Connecticut Avenue, Washington, D.C.

The marketing plans workshop will use the case study approach, similar to that used at the Bogota and Dublin workshops earlier this year. Representatives of selected cooperator organizations will be asked to present the case studies. All those present will be asked to participate.

One and one-half days will be devoted to the marketing plans workshop and about one-half day to the administrative workshop.

The National 4-H Club Foundation is located just over the D.C. line in Chevy Chase, Maryland. Those wishing overnight accommodations (singles \$5, doubles \$4/each) should write to the Foundation at the address above.

FOOD FORTNIGHT IN SCOTLAND

An American food fortnight, August 16-28, in the 3,250 shops affiliated with the Scottish Cooperative Wholesale Society resulted in many new customers for U.S. foods in Scotland.

Nine American food products were offered for the first time to S.C.W.S. customers along with a half dozen U.S. food items carried regularly by the stores. The Scottish housewives responded by buying about \$100,000 worth of the new products during the fortnight promotion.

The new American lines included assorted brands of peaches, sliced pineapple, pineapple juice, and fruit

cocktail. The old familiar lines, such as lard, canned chicken, rice, spices, raisins, and prunes, also received some stimulus from the promotion.

The four major daily newspapers in Scotland gave liberal coverage to the event with news copy totaling 200 column-inches. Newspaper advertisements and TV flashes supported the campaign. Demonstrators were used in 24 of the larger stores.

The promotion was organized by the Office of Agricultural Attache in London and was the third major in-store promotion of the year in the U.K. to push sales of U.S. foods.

U.K. PROFILE STUDY

FAS has contracted with the Economist Intelligence Unit Ltd., London, for an intensive study of the market development opportunities in the U.K. The profile study will be in three parts:

1. To research out 400 U.S. agricultural products that have a future in the U.K.
2. To identify the competitive factors for the products that have a future.
3. To determine what is now being done and what needs to be done in promotion for these products.

Parts 1. and 2. are now in progress. The findings of the completed study will be made available to co-operators.

RENDERER GROUPS JOIN FORCES TO INCREASE EXPORT SALES

The National Renderers Association and the Poultry By-Products Association have affiliated to unite the prom-

otional and research efforts of the two groups of renderers into a single force for market development of animal and poultry by-products. The NRA will take over advertising promotion and research activities formerly handled by the PBPA.

The PBPA, according to Dean A. Specht, Executive Director of NRA, will continue to function as an organization in itself, primarily in an advisory capacity with its own elected officials. However, all present PBPA members are being urged to assume full NRA membership in order that they can benefit from the joint program.

The NRA has created a special Poultry By-Products Committee, with the advice of the PBPA officers. This committee will act in a liaison capacity to determine the needs and wishes of the PBPA members and to communicate with the NRA Board of Directors. Dr. Henry Fuller, Head of the Poultry Science Department at the University of Georgia and a former technical consultant of the PBPA, has joined the NRA staff as a special consultant to the Poultry By-Products Committee.

The affiliation of the two organizations took place August 1, 1965. Both NRA and PBPA are now at work on the joint program in the expectation that by working together they can promote better markets for all U.S. renderers.

ARTICLES OF INTEREST

The August 27, 1965 issue of PRINTERS' INK, has a 75-page section, "Management Guide to Test Marketing," which reports many of the trends and new ideas in this important area.

PORTUGUESE AND JAPANESE TOBACCO TEAMS VISITING U.S.

The tobacco cooperators have two foreign tobacco teams in the U.S. this month.

A four-man team from Portugal, the first market development tobacco team from that country, is visiting auction markets, sales agencies, and cigarette manufacturers in the Carolinas, Virginia, Tennessee, and Kentucky. The team members are: Fernando de Sobral Cid, and Bernardo de Lima Mayor of A Tabaqueiro; and Artur Duarte Boica and Artur R. da Cruz of Companhia Portuguesa de Tabacos.

Y. Inami and T. Hada, two members of the sales department of the Japan Monopoly Corporation, are visiting U.S. tobacco markets, and studying tobacco sales and advertising techniques. Representatives of the monopoly have been making annual visits to the U.S. since the Japanese market development program for tobacco started about ten years ago.

LONDON VARIETY MEATS SEMINAR

British importers of variety meats, who bought practically none from the U.S. ten years ago, but now get 20 percent of their imports from America, are prepared to buy even larger amounts from U.S. suppliers if their commercial specifications can be met.

This was the consensus of a September 27-30 variety meat exhibition and seminar held in London under joint sponsorship of FAS, the American

Meat Institute and U.S. suppliers operating in the British market.

Assistant Secretary Mehren, a principal speaker at the seminar, described the dynamic growth of the U.S. livestock industry in recent years and assured the audience that the U.S. has a plentiful and stable supply of quality meat and meat products to meet British needs.

MANCHESTER FOOD EXHIBITION

British importers of American foods teamed up with FAS and the cooperators in an exhibit at the Manchester Food, Cookery and Catering Exhibition, September 7-18.

The exhibit was designed to afford British importers of American products an opportunity to sell directly to exhibit visitors. The products of 23 American food companies were exhibited through nine U.K. importing firms. The 8 to 10 thousand daily visitors, including caterers and the public, had a chance to see and buy products ranging from canned fruits to cake mixes, chocolates to cranberries, pre-cooked chicken parts to raisins, prunes to pretzels, and rice to relishes.

The trade effort was supported by demonstrations and sampling at five cooperator booths, operated by the Rice Council for Market Development, California Raisin Advisory Board, Florida Citrus Commission, California Prune Advisory Board, and the Cranberry Institute.

EXPORT PAYMENTS FOR POULTRY

The Department of Agriculture has announced a subsidy program for poultry exports to Switzerland and Austria

to counteract the subsidies in Europe and assist the U.S. in regaining its traditional share of these markets.

In making the announcement Secretary Freeman said: "The United States had built up a large volume of poultry sales in Switzerland, Austria through vigorous market promotion effort. But in recent years U.S. sales declined sharply as a number of European countries began subsidizing their chicken exports to Switzerland and Austria. With large subsidies, these exporting countries can undersell efficiently produced U.S. poultry, which has been exported up to now without subsidy help. The United States would much prefer to compete in world markets on the basis of efficient production. For the past 10 months, U.S. officials have taken part in bilateral and multilateral discussions in an effort to persuade European countries to discontinue or modify their own subsidy practices. However, to date the discussions have not yielded results.

Therefore, until the United States and other exporters can arrive at a mutually satisfactory solution, the only practicable answer to the problem appears to be a limited U.S. subsidy program."

SOYBEANS IN SPAIN

With a sharp increase in its crushing capacity for soybeans, Spain is becoming a growing market for U.S. soybeans. Two new crushing plants are expected to begin operations this marketing year, and some 150,000 metric tons of soybeans will be imported and crushed. This compares with 12,046 metric tons imported two years ago and about 50,000 metric tons in the 1963-64 marketing year. Spain's imports of oilseed meal and cake are also increasing. In 1963-64, Spain bought 213,000 metric tons of U.S. soybean meal, a sixfold increase over the purchases in 1961-62.



HERE and THERE

A 19-man Japanese soybean crushing team, representing a \$125 million market for U.S. soybeans, will be in the U.S. October 3-17 under an American Soybean Association-FAS market development project. The team is paying its own travel expense. It will meet with top officials in Washington and investigate soybean production, processing and marketing in the mid-western states before returning to Japan.

The USDA exhibit at Foire de Luxembourg got off to a big start with a visit of Grand Duke "Jean" and Grand Duchess "Josephine-Charlotte." The Royal couple were given a colorful basket of frozen poultry in the name of the U.S. poultry industry. The event was televised and covered by press and radio.

Great Plains Wheat has a new house organ, "The Great Plainsman," published monthly for its members in Kansas, Colorado, Oklahoma, North and South Dakota. The publication covers news and issues in wheat marketing and includes a monthly round-up of its market development activities abroad.

The Soybean Council has a pilot promotion underway in Columbia's Cauca Valley. Samples of U.S. vegetable oil are being made available to consumers through cooperating Columbian refineries and local retailers. Radio advertisements, newspaper cartoon strips, and one-minute movie trailers are being used to stress the nutritional value and palatability of the vegetable oils, consumption of which is now only one-fourth the U.S. level. If successful, the campaign will be extended nationwide.

The international cotton promotion program is moving forward. The cotton exporting countries have tentatively accepted the Articles of Agreement for an international organization and formal ratification is expected before the end of this year. The organization would collect \$1 per bale on cotton exports to Western Europe and Japan for promotion and research in those markets. The ultimate effect would be to multiply the present international cotton promotion program of CCI and other cotton interests from about \$3 million a year to as much as \$15 million a year through cooperative promotion with allied groups.

An American-type Sandwich Promotion pilot project is underway by Wheat Associates in Japan. Thirty-one sandwich promotion programs have been conducted in Nagoya with 3,004 persons participating. Thirty-six programs have been held in Osaka with 3,200 persons attending. Participants have included housewives, bakers, retailers, and restaurant operators. The Tokyo WA office is now conducting a full evaluation of the pilot project to determine to what extent a larger scaled program should be carried out.

A Presidential "E" Award for export expansion (see photo page 1) was presented by Secretary Freeman, October 5, to Diamond Fruit Growers, Inc., a producers cooperative of Hood River, Oregon. The cooperative, a long time leader in fruit marketing, sells 50 percent of its apples and 20 percent of its pears to markets overseas. The occasion marked the Department's observance of Cooperative Month. A large share of U.S. agricultural exports are produced or marketed through cooperatives.

The Rice Council Operating Committee held its quarterly meeting in Washington September 9. Associate FAS Administrator, Clarence R. Eskildsen, and several other members of the FAS/Washington staff participated as guests of the Council. The agenda included approval of final plans for an advertising program in South Africa, and discussion of market research in the U.K. and the Scandinavian countries.

Fourteen steamship companies have joined forces through a "Trade Expansion Committee" to aid export expansion. The 1,300 U.S. and foreign representatives of the companies have been advised to get busy on trade possibilities and to be alert for inquiries as a means of assisting U.S. exporters to find outlets abroad.

A recent "Fry Golden" promotion for soybean oil in Spain stirred an immediate reaction on the part of the olive oil interests. They countered with an advertisement in leading newspapers purporting to show the superiority of their product over soybean oil. The Soybean Council, of course, has its own ideas on this subject, and considers the olive oil advertisement as a left handed compliment to the growing effectiveness of soybean promotions in Spain.
